

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.

Financial Statements
For The Year Ended June 30, 2007

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 4/2/08

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.

*Financial Statements
For the Year Ended June 30, 2007*



CAMERON, HINES & HARTT, (A Professional Accounting Corporation)
Certified Public Accountants

West Monroe, Louisiana

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.
RAYVILLE, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2007

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RICHLAND VOLUNTARY COUNCIL ON AGING, INC.
RAYVILLE, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2007

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Certified Public Accountants

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Richland Voluntary Council on Aging, Inc.
Rayville, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Richland Voluntary Council on Aging, Inc., as of and for the year ended June 30, 2007, which collectively comprise the basic financial statements of the Council as listed in the table of contents. These financial statements are the responsibility of the Council's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information for the Richland Voluntary Council on Aging, Inc., as of June 30, 2007, and the respective changes in financial position, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 15, 2007, on our consideration of the Council's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Board of Directors
Richland Voluntary Council on Aging, Inc.
Rayville, Louisiana
Page 2

Management's discussion and analysis and budgetary comparison information on pages 3 through 6 and 19 through 23, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was performed for the purpose of forming opinions on the basic financial statements of the Richland Voluntary Council on Aging, Inc. taken as a whole. The supplemental information schedules required by GOEA are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole. The introductory section has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Cameron, Hines & Hartt (APAC)

West Monroe, Louisiana
November 15, 2007

REQUIRED SUPPLEMENTAL INFORMATION (PART A)
MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the Richland Voluntary Council on Aging provides an overview of the Council's activities for the year ended June 30, 2007. Please read it in conjunction with the Council's financial statements.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities provide information about the activities of the Council as a whole.

Reporting the Council as a Whole

The Statement of Net Assets and the Statement of Activities

These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Council's net assets and changes in them. The Council's net assets – the difference between assets and liabilities – measure the Council's financial position. The increase or decrease in the Council's net assets are an indicator of whether its financial position is improving or deteriorating.

THE COUNCIL AS A WHOLE

For the years ended June 30, 2007 and 2006:

	<u>06/30/07</u>	<u>06/30/06</u>
Beginning net assets	\$200,267	\$200,267
Increase in net assets	<u>30,992</u>	<u>15,860</u>
Ending net assets	<u>\$231,259</u>	<u>\$200,267</u>

In future years, a comparative analysis of beginning and ending net assets will be presented.

THE COUNCIL'S FUNDS

The following schedule presents a summary of revenues and expenses for the fiscal year ended June 30, 2007, and the amount and percentage of increases and decreases in relation to the prior year.

Revenues	June 30, 2007	Percent of Total	Increase (Decrease) From June 30, 2006	Percent Increase (Decrease)
Intergovernmental	\$286,185	55%	\$33,083	12%
Public Support	41,337	8%	763	2%
Rental Income	13,700	3%	500	4%
Project Nutrition	171,853	33%	13,108	8%
Miscellaneous	5,847	1%	3,166	54%
Totals	<u>\$518,922</u>	<u>100%</u>	<u>\$50,620</u>	<u>10%</u>

Revenues	June 30, 2006	Percent of Total	Increase (Decrease) From June 30, 2005	Percent Increase (Decrease)
Intergovernmental	\$253,102	54%	(\$12,902)	-5%
Public Support	40,574	9%	9,353	23%
Rental Income	13,200	3%	0	0%
Project Nutrition	158,745	34%	7,847	5%
Miscellaneous	2,681	1%	(455)	-17%
Totals	<u>\$468,302</u>	<u>100%</u>	<u>\$3,843</u>	<u>1%</u>

Revenues for the year ending June 30, 2007 increased due to a last minute legislative action that gave the Council an extra \$25,000 and the Project Nutrition program had an increase.

Revenues for the Council increased for the year ending June 30, 2006 mainly due to an increase in the Project Nutrition program that involves pass through funding for meals and receipt of a grant to make capital outlay purchases.

Expenses	June 30, 2007	Percent of Total	Increase (Decrease) From June 30, 2006	Percent Increase (Decrease)
Total	\$487,928	100%	\$35,486	7%

Expenses	June 30, 2006	Percent of Total	Increase (Decrease) From June 30, 2005	Percent Increase (Decrease)
Total	\$452,442	100%	(\$15,597)	-3%

The Council's expenses increase for the year ending June 30, 2007 due to the last minute increase in funding from the State of \$25,000 which had to be spent in the 2006-2007 fiscal year.

The Council's expenses for the year ending June 30, 2006 decreased due to cost cutting measures implemented which involved eliminating a van used in transportation at the Delhi Center.

BUDGETARY HIGHLIGHTS

The Council's total revenues in fiscal year 2007 were more than the final budget of \$226,915 due to the Project Nutrition Fund not being a budgeted item and the extra \$25,000 not included in the amended budget. Actual expenses for the Council were over the final budget by \$202,881 due to the Project Nutrition Fund and interest expense on a loan not included in the GOEA budget and the extra \$25,000 not include in the amended budget. The General Fund is not budgeted but used in support of other programs. Also the Project Nutrition Fund is not budgeted because it is strictly a pass through program-the revenue and expense are the same each month.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of June 30, 2007 and 2006, the Council had \$136,350 and \$165,726 invested in capital assets including buildings and improvements, furniture and fixtures, equipment, and vehicles (see table next page).

	<u>June 30, 2007</u>	<u>June 30, 2006</u>
Land	\$11,500	\$11,500
Building	57,500	57,500
Furniture & Fixtures	26,586	22,826
Vehicles	40,764	73,900
Totals	<u>\$136,350</u>	<u>\$165,726</u>

The Council disposed of (2) vans that were no longer in use during the year and also purchased some equipment for the kitchens at both sites.

Debt

At year-end, the Council has a total of \$25,499 in long term debt. The note payable decreased about 26% as shown in the following table:

	<u>June 30, 2007</u>	<u>June 30, 2006</u>
Notes Payable	\$25,499	\$34,894

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND REVENUES

The Council's revenues are derived mainly from two sources, United States Department of Health and Human Services Administration on Aging through the Governor's Office of Elderly Affairs which in turn "passes through" the funds to the Council, and Public Support. The Council does not anticipate any major increases or decreases in the revenues for the coming year.

CONTACTING THE COUNCIL'S FINANCIAL MANAGEMENT

The financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the Council's finances and to show the Council's accountability for the money it receives. If you have questions concerning this report or need additional financial information, contact the Richland Voluntary Council on Aging, PO Box 97 Rayville, LA 71269.

Beth Whatley
Director

GOVERNMENT-WIDE FINANCIAL STATEMENTS

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.
RAYVILLE, LOUISIANA
STATEMENT OF NET ASSETS
JUNE 30, 2007

	<u>Governmental Activities</u>
<u>ASSETS</u>	
Cash	\$ 94,152
Certificates of Deposit	100,000
Accounts Receivable	28,075
Utility Deposits	650
Capital Assets:	
Non-Depreciable	11,500
Depreciable	<u>65,926</u>
<u>TOTAL ASSETS</u>	<u>\$ 300,303</u>
<u>LIABILITIES</u>	
Accounts Payable	\$ 37,536
Accrued Expenses	6,009
Non-Current Liabilities	
Due Within One Year	
Notes Payable	6,824
Due in More Than One Year	
Notes Payable	<u>18,675</u>
Total Liabilities	69,044
<u>NET ASSETS</u>	
Invested in Capital Assets, Net of Related Debt	51,927
Restricted For:	
Utility Assistance	6,603
Unrestricted	<u>172,729</u>
Total Net Assets	<u>231,259</u>
<u>TOTAL LIABILITIES AND NET ASSETS</u>	<u>\$ 300,303</u>

The accompanying notes are an integral part of this financial statement.

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.
RAYVILLE, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2007

	<u>Direct Expenses</u>	<u>Indirect Expenses</u>
Function/Program Activities		
Governmental Activities:		
Health, Welfare and Social Services:		
Supportive Services:		
Homemaker	\$ 4,567	\$ 1,894
Information and Assistance	1,119	1,123
Outreach	20	-
Transportation	17,319	6,622
Other Services	10,411	3,628
Nutrition Services:		
Congregate Meals	52,417	18,389
Home Delivered Meals	99,923	34,575
Utility Assistance	4,111	-
Disease Prevention and Health Promotion	3,057	-
National Family Caregiver Support	1,807	1,709
Senior Activities	4,797	1,536
Administration	218,904	-
	<u>\$ 418,452</u>	<u>\$ 69,476</u>
Total Governmental Activities		

Charges for Services	Program Revenues		Net (Expense) Revenue and Changes in Net Assets Governmental Activities
	Operating Grants and Contributions	Capital Grants and Contributions	
\$ -	\$ 5,478	\$ -	\$ (983)
-	1,899	-	(343)
-	17	-	(3)
-	21,153	-	(2,788)
-	11,892	-	(2,147)
-	50,191	-	(20,615)
-	128,758	-	(5,740)
-	7,997	-	3,886
-	2,635	-	(422)
-	3,516	-	-
-	-	-	(6,333)
<u>171,853</u>	<u>11,200</u>	<u>-</u>	<u>(35,851)</u>
<u>\$ 171,853</u>	<u>\$ 244,736</u>	<u>\$ -</u>	<u>\$ (71,339)</u>

General Revenues:

Grants and Contributions not Restricted	
to Specific Programs	82,784
Rental Income	13,700
Miscellaneous	5,847
Total General Revenues	<u>102,331</u>
Changes in Net Assets	30,992
Net Assets - Beginning	<u>200,267</u>
Net Assets - Ending	<u>\$ 231,259</u>

The accompanying notes are an integral part of this financial statement.

FUND FINANCIAL STATEMENTS

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.
RAYVILLE, LOUISIANA

BALANCE SHEET
GOVERNMENTAL FUNDS

JUNE 30, 2007

	<u>General Fund</u>	<u>Title III B Supportive Services</u>	<u>Title C-1 Congregate Meals</u>	<u>Title C-2 Home Delivered Meals</u>	<u>NSIP</u>
<u>ASSETS</u>					
Cash and Cash Equivalents	\$ 75,440	\$ 73	\$ 2,330	\$ 4,764	\$ 4
Certificates of Deposits	50,000	-	-	-	50,000
Accounts Receivable	25,000	-	-	-	3,019
Utility Deposits	650	-	-	-	-
Due From Other Funds	-	-	56	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<u>TOTAL ASSETS</u>	<u>\$ 151,090</u>	<u>\$ 73</u>	<u>\$ 2,386</u>	<u>\$ 4,764</u>	<u>\$ 53,023</u>
 <u>LIABILITIES AND FUND BALANCE</u>					
<u>LIABILITIES</u>					
Accounts Payable	\$ 29,493	\$ 73	\$ 2,386	\$ 4,764	\$ -
Other Accrued Expenses	6,009	-	-	-	-
Notes Payable - Current Portion	6,824	-	-	-	-
Due To Other Funds	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Current Liabilities	42,326	73	2,386	4,764	-
Notes Payable - Long-Term	18,675	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities	61,001	73	2,386	4,764	-
 <u>FUND BALANCE</u>					
Fund Balance					
Reserved for:					
Utilities Assistance	-	-	-	-	-
Unreserved, Reported In:					
General Fund	90,089	-	-	-	-
Special Revenue Funds	-	-	-	-	53,023
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Fund Balance	90,089	-	-	-	53,023
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<u>TOTAL LIABILITIES AND FUND BALANCE</u>	<u>\$ 151,090</u>	<u>\$ 73</u>	<u>\$ 2,386</u>	<u>\$ 4,764</u>	<u>\$ 53,023</u>

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.
RAYVILLE, LOUISIANA
RECONCILIATION OF TOTAL GOVERNMENTAL
FUND BALANCES TO NET ASSETS OF
GOVERNMENTAL FUNDS
JUNE 30, 2007

Nonmajor Governmental Funds	Total Governmental Funds		
		Total Governmental Fund Balances	\$ 153,833
		<i>Amounts reported for governmental activities in the statement of net assets are different because:</i>	
\$ 11,541	\$ 94,152		
-	100,000		
56	28,075		
-	650	Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	
-	56		<u>77,426</u>
<u>\$ 11,597</u>	<u>\$ 222,933</u>		
		Net Assets of Governmental Activities	<u>\$ 231,259</u>
\$ 820	\$ 37,536		
-	6,009		
-	6,824		
56	56		
876	50,425		
-	18,675		
876	69,100		
6,603	6,603		
-	90,089		
4,118	57,141		
10,721	153,833		
<u>\$ 11,597</u>	<u>\$ 222,933</u>		

The accompanying notes are an integral part of this financial statement.

RICHLAND VOLUNTARY COUNCIL ON AGING, INC
RAYVILLE, LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2007

	<u>General Fund</u>	<u>Title III B Supportive Services</u>	<u>Title C-1 Congregate Meals</u>	<u>Title C-2 Home Delivered Meals</u>
<u>REVENUES</u>				
Intergovernmental	\$ 45,660	\$ 39,567	\$ 42,519	\$ 101,523
Public Support	10,390	873	7,672	8,480
Rental Income	13,700	-	-	-
Project Nutrition	171,853	-	-	-
Miscellaneous	5,847	-	-	-
Total Revenues	<u>247,450</u>	<u>40,440</u>	<u>50,191</u>	<u>110,003</u>
<u>EXPENDITURES</u>				
Current:				
Salaries	-	25,187	18,250	46,248
Fringe	-	1,960	1,418	3,596
Travel	-	1,420	172	13,590
Operating Services	-	14,654	22,484	17,232
Operating Supplies	-	3,052	888	1,656
Other Costs	201,664	430	27,594	52,176
Interest Expense	2,633	-	-	-
Capital Outlay	3,760	-	-	-
Utility Assistance	-	-	-	-
Total Expenditures	<u>208,057</u>	<u>46,703</u>	<u>70,806</u>	<u>134,498</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</u>	39,393	(6,263)	(20,615)	(24,495)
<u>OTHER FINANCING SOURCES (USES)</u>				
Operating Transfers - In	-	6,263	20,615	24,495
Operating Transfers - Out	(20,638)	-	-	-
Total Other Financing Sources (Uses)	<u>(20,638)</u>	<u>6,263</u>	<u>20,615</u>	<u>24,495</u>
<u>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</u>	18,755	-	-	-
<u>FUND BALANCE AT BEGINNING OF YEAR</u>	<u>71,334</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 90,089</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.
RAYVILLE, LOUISIANA
RECONCILIATION OF THE STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2007

<u>NSIP</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 18,756	\$ 38,160	\$ 286,185
-	13,922	41,337
-	-	13,700
-	-	171,853
-	-	5,847
<u>18,756</u>	<u>52,082</u>	<u>518,922</u>
-	4,176	93,861
-	323	7,297
-	28	15,210
-	8,136	62,506
-	364	5,960
-	2,554	284,418
-	-	2,633
-	-	3,760
-	4,053	4,053
<u>-</u>	<u>19,634</u>	<u>479,698</u>
18,756	32,448	39,224
-	422	51,795
<u>(6,291)</u>	<u>(24,866)</u>	<u>(51,795)</u>
<u>(6,291)</u>	<u>(24,444)</u>	<u>-</u>
12,465	8,004	39,224
<u>40,558</u>	<u>2,717</u>	<u>114,609</u>
<u>\$ 53,023</u>	<u>\$ 10,721</u>	<u>\$ 153,833</u>

Net Change in Fund Balances - Total
Governmental Funds

\$ 39,224

*Amounts reported for governmental activities
in the statement of activities are different
because:*

Governmental funds report capital outlays as
expenditures while governmental activities
report depreciation expense to allocate those
expenditures over the life of the assets:

Capital asset purchases capitalized

3,760

Depreciation expense

(11,992)
(8,232)

Change in Net Assets in Governmental Activities

\$ 30,992

The accompanying notes are an integral part of this financial statement.

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.
RAYVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2007

Note 1- Summary of Significant Accounting Policies

The financial statements of the Richland Voluntary Council on Aging, Inc. have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. These statements have also incorporated any applicable requirements set forth by *Audits of State and Local Governments*, the industry audit guide issued by the American Institute of Certified Public Accountants; Subsection VI-Annual Financial Reporting, accounting manual for Governor's Office of Elderly Affairs contractors, and the *Louisiana Governmental Audit Guide*. The more significant to the Council's accounting policies are described below.

A. Reporting Entity

In 1964, the State of Louisiana passed Act 456 that authorized the charter of voluntary councils on aging for the welfare of the aging people in their representative parishes. Charters are issued by the Louisiana Secretary of State upon approval by the Governor's Office of Elderly Affairs. The Richland Voluntary Council on the Aging, Inc. is a non-profit, quasi-public, corporation which must comply with the policies and regulations established by the Governor's Office of Elderly Affairs, the state agency which provides the Council with most of its revenues. The Council also receives revenues from other federal, state, and local government agencies that may impose certain restrictions upon how the Council can use the money that they have provided.

The primary function of the Richland Voluntary Council on the Aging, Inc. is to improve the quality of life for the parish's elderly and to provide services to the elderly as well as coordinate and monitor the services of other local agencies serving the aging people of the parish. Such services include providing meals, nutritional education, information and referral services, legal assistance, homemaker services, operating senior centers, and transportation. A Board of Directors, consisting of 15 voluntary members who serve three-year terms governs the Council.

The Council is not a component unit of another primary government nor does it have any component units that are related to it. Therefore, the Council has presented its financial statements as a separate special purpose government.

B. Financial Reporting

The Council follows the provisions of the Governmental Accounting Standards Board Statement, Nos. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments* (Statement 34), 37, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments: Omnibus* (Statement 37), and 38, *Certain Financial Statement Note Disclosures* (Statement 38), which establish the financial reporting standards for all state and local governmental entities.

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.
RAYVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2007

Note 1- Summary of Significant Accounting Policies (continued)

B. Financial Reporting (continued)

The accompanying government-wide financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting and reflect transactions of behalf of the Council. The Council accounts for its funds as governmental funds.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Office of Elderly Affairs Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. Most of the Council's special revenue funds are provided by GOEA. The Title III funds are provided by the United States Department of Health and Human Services Administration on Aging through the Governor's Office of Elderly Affairs which in turn "passes through" the funds to the Council.

The Council reports the following major governmental funds:

General Fund

The General Fund is the general operating fund of the Council. It is used to account for all financial resources except those required to be accounted for in another fund. These discretionary funds are accounted for and reported according to the source (federal, state, or local) from which they are derived. The following types of programs comprise the Council's General Fund:

Local Funds

Local funds are received from various local sources; such funds not being restricted to any special use.

PCOA (ACT 735) Funds

PCOA (Act 735) funds are appropriated for the Governor's Office of Elderly Affairs by the Louisiana Legislature for remittance to the Council on Aging. The Council may use these "Act 735" funds at its discretion provided the program is benefiting people who are at least 60.

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.
RAYVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2007

Note 1- Summary of Significant Accounting Policies (continued)

B. Financial Reporting (continued)

Title III-B Supportive Services Fund

This program provides access services, in-home services, community services, legal assistance and transportation for the elderly.

Title III C-1 Congregate Meals Fund

These funds are used to provide nutritional congregate meals to the elderly in strategically located centers.

Title III C-2 Home Delivered Meals Fund

These funds are used to provide nutritional meals to home-bound older persons.

The remaining nonmajor funds are as follows:

Senior Center Fund

This program provides community service centers at which older persons receive supportive services and participate in activities which foster their independence, enhance their dignity and encourage their involvement in and with the community.

Nutritional Services Incentive Program (NSIP)

The NSIP program (formerly USDA) is used to account for the administration of Food Distribution Program funds provided by the United States Department of Agriculture through the Louisiana Governor's Office of Elderly Affairs. This program reimburses the service provider on a per unit basis for each congregate and home-delivered meal served to an eligible participant so that the United States food and commodities may be purchased to supplement these programs.

Title III-D Disease Prevention and Health Promotion Services

This program provides funds to develop or strengthen preventive health service and health promotion systems through designated agencies.

Title III-E National Family Caregiver Support

To assist in providing multifaceted systems of support services for family caregivers and grandparents or older individuals who are relative caregivers.

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.
RAYVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2007

Note 1- Summary of Significant Accounting Policies (continued)

B. Financial Reporting (continued)

Audit Funds

These funds are used to offset the cost of the annual audit. The amount received for the years ended June 30, 2007 and 2006 was \$810 and \$490, respectively.

Supplemental Senior Center Fund

The Louisiana Legislature appropriated additional money for various Councils on Aging through the state to be used to supplement the primary state grant for senior centers. Richland Voluntary Council on the Aging, Inc. was one of the parish councils to receive a supplemental grant.

Utility Assistance Fund

The Utility Assistance fund is used to account for the administration of programs that are sponsored by local utility companies. The companies collect contributions from service customers and remit the funds to the parish Councils on Aging to provide assistance to the elderly for the payment of their utility bills.

C. Compensated Absences

Employees of the Richland Voluntary Council on the Aging, Inc. earn from 10 to 20 days of annual leave each year with 10 days allowed to be carried over to next year, depending on their length of service and the employee's working status (full-time or part-time). Provided that funds are available, employees are compensated upon termination of employment for current-year accrued annual leave up to 5 days. Employees earn up to 12 days of sick leave each year, and can accumulate up to 60 days, depending upon whether the employee is on a part-time or full-time status. Employees are not paid for accrued sick leave at termination and no accrual has been made.

D. Funding Policies and Sources of Funds

The Council receives its monies through various methods of funding. NSIP program funds are provided through the Louisiana Governor's Office of Elderly Affairs to help offset raw food cost in Title III C-1 and C-2 programs. This program is funded under the units of service provided method. The Senior Center program and State Allocation (PCOA) and Supplemental Senior Center funds are received as a monthly allocation of the total budget (grant) in advance of the actual expenditure. The Title III-B, C-1, C-2, D and E programs are funded based on actual operating cost incurred. The Council encourages and receives contributions from clients to help offset the costs of the Title III-B, C-1, and C-2 programs. Utility assistance funds are also provided by the Louisiana Association of Council on Aging to the Council under the Helping Hands and Heating Help Energy programs. All of the above mentioned funds, including any other miscellaneous income, are recorded as revenue when the cash is received because the Council cannot predict the timing and amount of receipt.

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.
RAYVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2007

Note 1- Summary of Significant Accounting Policies (continued)

E. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Note 2 - Cash and Certificates of Deposit

Custodial Credit Risk - Deposits

The custodial credit risk is the risk that in the event of a bank failure, the Council's deposits may not be returned to it. The Council's policy to ensure there is no exposure to this risk is to require each financial institution to pledge its own securities to cover any amount in excess of Federal Depository Insurance Coverage. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Council that the fiscal agent bank has failed to pay deposited funds upon demand. Accordingly, the Council had no custodial risk related to its deposits at June 30, 2007.

At June 30, 2007, the Council has cash and cash equivalents (book balances net of overdrafts) in the amount of \$94,152.

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable by both parties. The following is a schedule of the Council's cash and certificates of deposit at June 30, 2007. Differences between Council balances and the bank balances arise because of the net effect of deposits in transit and outstanding checks.

	<u>Council Balances</u>	<u>Bank Balances</u>
Cash on Deposit	\$ 94,052	\$ 80,141
Certificates of Deposit	<u>100,000</u>	<u>100,000</u>
<u>TOTAL</u>	<u>\$ 194,152</u>	<u>\$ 180,141</u>

The Council's deposits are collateralized as follows:

FDIC Insured Deposits	\$ 200,000
Uninsured Deposits:	
Collateralized	<u>-</u>
Total Deposits	<u>\$ 200,000</u>

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.
RAYVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2007

Note 3 - Receivables

Accounts receivable at June 30, 2007, consisting of reimbursements for expenses incurred under the NSIP program was \$3,019, a special assessment from PCOA for \$25,000 and miscellaneous receivables of \$56.

Note 4 - Fixed Assets

Fixed asset activity for the year ended June 30, 2007 is as follows:

	<u>Balance</u> <u>July 1, 2006</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2007</u>
Non-Depreciable Assets:				
Land	\$ 11,500	\$ -	\$ -	\$ 11,500
Depreciable Assets:				
Building	57,500	-	-	57,500
Vehicles	73,900	-	(33,136)	40,764
Furniture & Fixtures	22,826	3,760	-	26,586
Totals at Historical Cost	165,726	3,760	(33,136)	136,350
Less Accumulated Depreciation				
For:				
Building	(8,266)	(1,438)	-	(9,704)
Vehicles	(60,313)	(8,153)	33,136	(35,330)
Machinery & Equipment	(11,489)	(2,401)	-	(13,890)
Total Accumulated Depreciation	(80,068)	(11,992)	33,136	(58,924)
Fixed Assets, Net	\$ 85,658	\$ (8,232)	\$ -	\$ 77,426

Depreciation was charged to Administration activities of the Council for \$11,992.

Note 4- Long-Term Debt

	<u>Beginning</u> <u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending</u> <u>Balance</u>	<u>Amounts Due</u> <u>Within</u> <u>One Year</u>
Governmental Activities:					
Notes Payable:					
Building Note	\$ 34,894	\$ -	\$ 9,395	\$ 25,499	\$ 6,824

A note payable in the amount of \$62,325 with an interest rate of 6.50% per year was obtained to purchase the Council on Aging's building. The Council pays \$709 per month for 5 years beginning October 2001. The loan was refinanced for \$33,520 in September 2006 with an interest rate of 8.50% per year. The new monthly payment is \$690 per month for 3 years with the remaining principal to be paid in full in September 2009.

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.
RAYVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2007

Note 4 - Long-Term Debt (continued)

Principal and interest requirements to retire the Council's notes payable obligations are as follows:

<u>Year Ended</u> <u>June 30,</u>	<u>Building Note</u>	
	<u>Principal</u>	<u>Interest</u>
2008	\$ 6,824	\$ 1,457
2009	7,281	1,000
2010	11,394	575
Total	<u>\$ 25,499</u>	<u>\$ 3,032</u>

Interest charged to expenditures for the year ended June 30, 2007 was \$2,633.

Note 5 - In-Kind Contributions

The Council received various in-kind contributions during the year. These in-kind contributions have not been recorded in the financial statements as revenues, nor has the expenditure related to the use of the in-kind been recorded. The primary in-kind contributions consisted of free rent and utilities for the senior center and meal sites, and wages and fringe benefits for volunteer workers.

Note 6 - Board of Directors' Compensation

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any member. However, board members are reimbursed for out-of-town travel expenses incurred in accordance with the Council's regular personnel policy.

Note 7 - Income Tax Status

The Council, a non-profit corporation is exempt from federal income taxation under Section 501 (c) (3) of the Internal Revenue Code.

Note 8 - Litigation and Claims

There was no litigation pending against the Council at June 30, 2007, nor is the Council aware of any unasserted claims.

Note 9 - Federal Award Programs

The Council receives revenues from various federal and state grant programs that are subject to final review and approval as to the allowability of expenditures by the respective grantor agencies. These programs are audited in accordance with the *Single Audit Act Amendment of 1996* and OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Institutions*. Any settlements or expenses arising out of a final review are recognized in the period agreed upon by the agency and the Council. Also, it is management's opinion that any audits by the grantor agencies would not produce disallowed program costs and liabilities to such an extent that they would materially affect the Council's financial position.

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.
RAYVILLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2007

Note 10-Economic Dependency

The Council receives the majority of its revenue from funds provided through grants administered by the Louisiana Governor's Office of Elderly Affairs. The grant amounts are appropriated each year by the federal and state governments. If significant budget cuts are made at the federal and/or state level, the amount of the funds the Council receives could be reduced significantly and have an adverse impact on its operations. Management is not aware of any actions that will adversely affect the amount of funds the Council will receive in the next fiscal year.

Note 11-Interfund Transfers

Operating transfers in and out are listed by fund for 2007:

<u>Funds Transferred In</u>	<u>Funds Transferred Out</u>					<u>Total In</u>
	<u>Supplemental Senior Center</u>	<u>Senior Center</u>	<u>NSIP</u>	<u>General Fund</u>	<u>PCOA</u>	
Title IIIB - Supportive Services	\$ 3,100	\$ 3,163	\$ -	\$ -	\$ -	\$ 6,263
Title III C-1	-	15,363	335	-	4,917	20,615
Title III C-2	-	3,240	5,956	4,272	11,027	24,495
Title III D	-	-	-	-	422	422
Total Out	<u>\$ 3,100</u>	<u>\$ 21,766</u>	<u>\$ 6,291</u>	<u>\$ 4,272</u>	<u>\$ 16,366</u>	<u>\$ 51,795</u>

Note 12-Risk Management

The Council is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The council has purchased commercial insurance to cover or reduce the risk of loss that might arise should one of these incidents occur. No settlements were made during the year that exceeded the Council's insurance coverage.

Note 13-Parish Nutrition Project

The Council has entered into an agreement with the Delhi Charter School to provide school lunches. Because the school is supported with state funding, the school cannot purchase lunches from a for profit entity. The Council purchases the food for the lunches from Bountiful Foods in addition to their own food purchases. The Delhi Charter School reimburses the Council for its portion. This creates a wash effect of revenues and expenditures during the year, therefore, there is no income or loss at year end.

REQUIRED SUPPLEMENTAL INFORMATION (PART B)
BUDGETARY COMPARISON SCHEDULES

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.
RAYVILLE, LOUISIANA
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Over</u>
				<u>(Under)</u>
<u>Revenues</u>				
Intergovernmental	\$ 20,660	\$ 20,660	\$ 45,660	\$ 25,000
Public Support	-	-	10,390	10,390
Rental Income	-	-	13,700	13,700
Project Nutrition	-	-	171,853	171,853
Miscellaneous	-	-	5,847	5,847
Total Revenues	20,660	20,660	247,450	226,790
<u>Expenditures</u>				
Other Costs	-	-	28,828	(28,828)
Project Nutrition	-	-	172,836	(172,836)
Capital Outlay	-	-	3,760	(3,760)
Interest Payments	-	-	2,633	(2,633)
Total Expenditures	-	-	208,057	(208,057)
<u>Excess (Deficiency) of Revenues</u>				
<u>Over Expenditures</u>	20,660	20,660	39,393	18,733
<u>Other Financing Uses</u>				
Transfers Out	(20,660)	(20,660)	(20,638)	22
<u>Net Change in Fund Balance</u>	-	-	18,755	18,755
<u>Fund Balance at Beginning of Year</u>	71,334	71,334	71,334	-
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 71,334</u>	<u>\$ 71,334</u>	<u>\$ 90,089</u>	<u>\$ 18,755</u>

The accompanying notes are an integral part of this financial statement.

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.
RAYVILLE, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
TITLE III B - SUPPORTIVE SERVICES
FOR THE YEAR ENDED JUNE 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Over</u>
				<u>(Under)</u>
<u>Revenues</u>				
Intergovernmental	\$ 39,567	\$ 39,567	\$ 39,567	\$ -
Public Support	1,025	850	873	23
Total Revenues	40,592	40,417	40,440	23
<u>Expenditures</u>				
Salaries	28,673	31,564	25,187	6,377
Fringe	3,326	3,926	1,960	1,966
Travel	1,619	1,412	1,420	(8)
Operating Services	16,068	14,930	14,654	276
Operating Supplies	5,917	4,941	3,052	1,889
Other Costs	100	106	430	(324)
Capital Outlay	-	-	-	-
Total Expenditures	55,703	56,879	46,703	10,176
<u>Excess (Deficiency) of Revenues</u>				
<u>Over Expenditures</u>	(15,111)	(16,462)	(6,263)	10,199
<u>Other Financing Sources (Uses)</u>				
Transfers In	15,111	16,462	6,263	(10,199)
<u>Net Change in Fund Balance</u>	-	-	-	-
<u>Fund Balance at Beginning of Year</u>	-	-	-	-
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of this financial statement.

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.

RAYVILLE, LOUISIANA

BUDGETARY COMPARISON SCHEDULE

TITLE CI - CONGREGATE MEALS

FOR THE YEAR ENDED JUNE 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Over</u>
				<u>(Under)</u>
<u>Revenues</u>				
Intergovernmental	\$ 42,519	\$ 42,519	\$ 42,519	\$ -
Public Support	6,500	7,400	7,672	272
Total Revenues	49,019	49,919	50,191	272
<u>Expenditures</u>				
Salaries	17,084	17,269	18,250	(981)
Fringe	1,981	2,148	1,418	730
Travel	284	186	172	14
Operating Services	23,993	22,537	22,484	53
Operating Supplies	1,629	1,815	888	927
Other Costs	27,219	27,223	27,594	(371)
Capital Outlay	-	-	-	-
Total Expenditures	72,190	71,178	70,806	372
<u>Excess (Deficiency) of Revenues</u>				
<u>Over Expenditures</u>	(23,171)	(21,259)	(20,615)	644
<u>Other Financing Sources (Uses)</u>				
Transfers In	23,171	21,259	20,615	(644)
<u>Net Change in Fund Balance</u>	-	-	-	-
<u>Fund Balance at Beginning of Year</u>	-	-	-	-
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of this financial statement.

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.
RAYVILLE, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
TITLE C2 - HOME DELIVERED MEALS
FOR THE YEAR ENDED JUNE 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Over</u>
				<u>(Under)</u>
<u>Revenues</u>				
Intergovernmental	\$ 101,523	\$ 101,523	\$ 101,523	\$ -
Public Support	10,300	8,650	8,480	(170)
Total Revenues	111,823	110,173	110,003	(170)
<u>Expenditures</u>				
Salaries	47,223	41,089	46,248	(5,159)
Fringe	5,477	5,110	3,596	1,514
Travel	15,046	13,637	13,590	47
Operating Services	17,407	15,416	17,232	(1,816)
Operating Supplies	3,086	3,323	1,656	1,667
Other Costs	50,558	50,551	52,176	(1,625)
Capital Outlay	-	-	-	-
Total Expenditures	138,797	129,126	134,498	(5,372)
<u>Excess (Deficiency) of Revenues</u>				
<u>Over Expenditures</u>	(26,974)	(18,953)	(24,495)	(5,542)
<u>Other Financing Sources (Uses)</u>				
Transfers In	26,974	18,953	24,495	5,542
<u>Net Change in Fund Balance</u>	-	-	-	-
<u>Fund Balance at Beginning of Year</u>	-	-	-	-
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of this financial statement.

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.
RAYVILLE, LOUISIANA
NOTES TO BUDGETARY COMPARISON SCHEDULES
FOR THE YEAR ENDED JUNE 30, 2007

The Council follows these procedures in establishing the budgetary data reflected in these financial statements:

The Governor's Office of Elderly Affairs (GOEA) notifies the Council each year as to the funding levels for each program's grant award.

The Executive Director prepares a proposed budget based on the funding levels provided by GOEA and then submits the budget to the Board of Directors for approval.

The Board of Directors reviews and adopts the budget before June 30th of the current year for the next year.

The adopted budget is forwarded to the Governor's Office of Elderly Affairs for final approval.

All budgetary appropriations lapse at the end of each fiscal year (June 30).

The budget is prepared on a modified accrual basis, consistent with the basis of accounting, for comparability of budgeted and actual revenues and expenditures.

Actual amounts are compared to budgeted amounts periodically during the fiscal year as a management control device.

The Council may transfer funds between line items as often as required, but must obtain prior approval for the Governor's Office of Elderly Affairs for funds received under grants from this state agency.

Expenditures cannot legally exceed appropriations on an individual level.

Amounts were not budgeted for revenues and expenses for the utility assistance fund because they were not legally required and the amount of revenues to be received under this program could not be determined.

SUPPLEMENTAL INFORMATION SCHEDULES REQUIRED BY
GOEA

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.
RAYVILLE, LOUISIANA

GENERAL FUNDS
COMBINING BALANCE SHEETS
JUNE 30, 2007

	<u>Programs of the General Fund</u>		
	<u>Local</u>	<u>PCOA (Act 735)</u>	<u>Total General Fund</u>
<u>ASSETS</u>			
Cash & Cash Equivalents	\$ 71,145	\$ 4,295	\$ 75,440
Certificates of Deposit	50,000	-	50,000
Accounts Receivable	-	25,000	25,000
Deposits	650	-	650
Due From Other Funds	-	-	-
<u>TOTAL ASSETS</u>	<u>\$ 121,795</u>	<u>\$ 29,295</u>	<u>\$ 151,090</u>
<u>LIABILITIES AND FUND BALANCE</u>			
<u>LIABILITIES</u>			
Accounts Payable	\$ 198	\$ 29,295	\$ 29,493
Other Accrued Expenses	6,009	-	6,009
Notes Payable - Current Portion	6,824	-	6,824
Due To Other Funds	-	-	-
Total Current Liabilities	13,031	29,295	42,326
Notes Payable - Long-Term	18,675	-	18,675
Total Liabilities	31,706	29,295	61,001
<u>FUND BALANCE</u>			
Unreserved and Undesignated	90,089	-	90,089
<u>TOTAL LIABILITIES AND FUND BALANCE</u>	<u>\$ 121,795</u>	<u>\$ 29,295</u>	<u>\$ 151,090</u>

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.
RAYVILLE, LOUISIANA

GENERAL FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2007

	<u>Programs of the General Fund</u>		<u>Total</u>
	<u>Local</u>	<u>PCOA</u> <u>(Act 735)</u>	<u>General Fund</u>
<u>Revenues</u>			
Intergovernmental	\$ -	\$ 45,660	\$ 45,660
Public Support	10,390	-	10,390
Rental Income	13,700	-	13,700
Project Nutrition	171,853	-	171,853
Sale of Property	5,000	-	5,000
Interest Income	847	-	847
Total Revenues	201,790	45,660	247,450
<u>Expenditures</u>			
Project Nutrition	172,836	-	172,836
Other Costs	3,294	25,534	28,828
Capital Outlay	-	3,760	3,760
Interest Expense	2,633	-	2,633
Total Expenditures	178,763	29,294	208,057
<u>Excess of Revenues Over</u>			
<u>Expenditures</u>	23,027	16,366	39,393
<u>Other Financing Sources (Uses)</u>			
Operating Transfers In	-	-	-
Operating Transfers Out	(4,272)	(16,366)	(20,638)
	(4,272)	(16,366)	(20,638)
<u>Excess of Revenues and Other</u>			
<u>Financing Sources Over</u>			
<u>Expenditures and Other</u>			
<u>Financing Uses</u>	18,755	-	18,755
<u>Fund Balance at Beginning of Year</u>	71,334	-	71,334
<u>FUND BALANCE AT</u>			
<u>END OF YEAR</u>	\$ 90,089	\$ -	\$ 90,089

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.
RAYVILLE, LOUISIANA

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2007

	Senior Center	Title III D Disease Prevention	Title III E Caregiver	Audit Funds
<u>ASSETS</u>				
Cash & Cash Equivalents	\$ -	\$ 812	\$ 8	\$ -
Certificate of Deposit	-	-	-	-
Receivables	56	-	-	-
<u>TOTAL ASSETS</u>	<u>\$ 56</u>	<u>\$ 812</u>	<u>\$ 8</u>	<u>\$ -</u>
<u>LIABILITIES AND FUND BALANCES</u>				
<u>LIABILITIES</u>				
Accounts Payable	\$ -	\$ 812	\$ 8	\$ -
Due To Other Funds	56	-	-	-
Total Liabilities	56	812	8	-
Fund Balances:				
Unreserved	-	-	-	-
Reserved for:				
Utilities Assistance	-	-	-	-
Total Fund Balances	-	-	-	-
<u>TOTAL LIABILITIES AND FUND BALANCES</u>	<u>\$ 56</u>	<u>\$ 812</u>	<u>\$ 8</u>	<u>\$ -</u>

<u>Supplemental Senior Center</u>	<u>Utilities Assistance</u>	<u>Emergency Food and Shelter</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ -	\$ 6,603	\$ 4,118	\$ 11,541
-	-	-	-
-	-	-	56
<u>\$ -</u>	<u>\$ 6,603</u>	<u>\$ 4,118</u>	<u>\$ 11,597</u>

\$ -	\$ -	\$ -	\$ 820
-	-	-	56
-	-	-	876

-	-	4,118	4,118
-	6,603	-	6,603
-	6,603	4,118	10,721
<u>\$ -</u>	<u>\$ 6,603</u>	<u>\$ 4,118</u>	<u>\$ 11,597</u>

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.
RAYVILLE, LOUISIANA

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2007

	<u>Senior Center</u>	<u>Title III D Disease Prevention</u>	<u>Title III E Caregiver</u>	<u>Audit Funds</u>
<u>REVENUES</u>				
Intergovernmental:				
North Delta Regional Planning and Development District	\$ -	\$ 2,635	\$ 3,516	\$ 810
State Contract	28,099	-	-	-
Public Support:				
LA Association of Councils on Aging	-	-	-	-
Client Contributions	-	-	-	-
Total Public Support	-	-	-	-
 Total Revenues	 28,099	 2,635	 3,516	 810
<u>EXPENDITURES</u>				
Current:				
Salaries	815	1,059	2,302	-
Fringe	64	83	176	-
Travel	9	-	19	-
Operating Services	5,360	1,796	980	-
Operating Supplies	85	119	39	-
Other Costs	-	-	-	810
Total Current Expenditures	6,333	3,057	3,516	810
Capital Outlay	-	-	-	-
Utility Assistance	-	-	-	-
Total Expenditures	6,333	3,057	3,516	810
 <u>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</u>	 21,766	 (422)	 -	 -
<u>OTHER FINANCING SOURCES (USES)</u>				
Operating Transfers - In	-	422	-	-
Operating Transfers - Out	(21,766)	-	-	-
Total Other Financing Sources (Uses)	(21,766)	422	-	-
 <u>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</u>	 -	 -	 -	 -
 <u>FUND BALANCES AT BEGINNING OF YEAR</u>	 -	 -	 -	 -
 <u>FUND BALANCES AT END OF YEAR</u>	 \$ -	 \$ -	 \$ -	 \$ -

Supplemental Senior Center	Utilities Assistance	Emergency Food and Shelter	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ -	\$ 6,961
3,100	-	-	31,199
-	7,997	5,925	13,922
-	-	-	-
-	7,997	5,925	13,922
3,100	7,997	5,925	52,082
-	-	-	4,176
-	-	-	323
-	-	-	28
-	-	-	8,136
-	58	63	364
-	-	1,744	2,554
-	58	1,807	15,581
-	-	-	-
-	4,053	-	4,053
-	4,111	1,807	19,634
3,100	3,886	4,118	32,448
-	-	-	422
(3,100)	-	-	(24,866)
(3,100)	-	-	(24,444)
-	3,886	4,118	8,004
-	2,717	-	2,717
\$ -	\$ 6,603	\$ 4,118	\$ 10,721

GENERAL FIXED ASSET ACCOUNT GROUP

RICHILAND VOLUNTARY COUNCIL ON AGING, INC.
RAYVILLE, LOUISIANA

SCHEDULE OF GENERAL FIXED ASSETS

JUNE 30, 2007 AND 2006

	Balance June 30, 2006	Additions	Deletions	Balance June 30, 2007
<u>GENERAL FIXED ASSETS</u>				
Land	\$ 11,500	\$ -	\$ -	\$ 11,500
Building	57,500	-	-	57,500
Vehicles	73,900	-	33,136	40,764
Office Furniture and Equipment	22,826	3,760	-	26,586
<u>TOTAL GENERAL FIXED ASSETS</u>	<u>\$ 165,726</u>	<u>\$ 3,760</u>	<u>\$ 33,136</u>	<u>\$ 136,350</u>
<u>INVESTMENT IN GENERAL FIXED ASSET</u>				
Property Acquired Prior to July 1, 1985 *	\$ -	\$ -	\$ -	\$ -
Property Acquired After July 1, 1985				
With Funds From:				
Act 735 PCOA	4,992	3,760	4,992	3,760
General Fund	88,497	-	-	88,497
Title III- D Preventive Health	6,543	-	15	6,528
Title III- C-1	2,353	-	1,782	571
Title III- C-2	1,516	-	589	927
Title III- B Supportive Services	6,971	-	5,790	1,181
Title III- E Caregiver	40	-	-	40
Senior Center	70	-	-	70
Department of Transportation Sec. 5310 E&D	54,744	-	19,968	34,776
<u>TOTAL INVESTMENT IN GENERAL FIXED ASSETS</u>	<u>\$ 165,726</u>	<u>\$ 3,760</u>	<u>\$ 33,136</u>	<u>\$ 136,350</u>

* Records reflecting sources from which assets were acquired were not maintained prior to July 1, 1985.

OTHER SUPPLEMENTAL INFORMATION –
GRANT ACTIVITY

RICHLAND VOLUNTARY COUNCIL ON AGING INC.
RAYVILLE, LOUISIANA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2007

<u>Federal Grants/Pass Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Program or Award Amount</u>	<u>Revenue Recognized</u>	<u>Expenditures</u>
U.S. Department of Health & Human Services - Administration on Aging: Passed Through the Governor's Office of Elderly Affairs:				
Aging Cluster of Special Programs for the Aging:				
Title III, Part B - Supportive Services	93.044	\$ 33,632	\$ 33,632	\$ 33,632
Title III, Part C - Congregate Meals	93.045	34,281	34,281	34,281
Title III, Part C - Home Delivered Meals	93.045	23,421	23,421	23,421
Title III, Part D - Disease Prevention and Health Promotion Services	93.043	2,635	2,635	2,635
Title III, Part E - National Family Caregiver Support	93.052	2,637	2,637	2,637
Nutritional Services Incentive Program	93.053	<u>18,755</u>	<u>18,755</u>	<u>6,291</u>
Total of Aging Cluster		115,361	115,361	102,897
U.S. Department of Homeland Security EF&S National Board Program	97.024	<u>5,925</u>	<u>5,925</u>	<u>1,807</u>
<u>TOTAL FEDERAL AWARDS</u>		<u>\$ 121,286</u>	<u>\$ 121,286</u>	<u>\$ 104,704</u>

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.
RAYVILLE, LOUISIANA
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2007

1. General

The Schedule of Expenditures of Federal Awards presents the activity of all federal award programs of the Council. The Council did not pass through any of its federal awards to a subrecipient during the year.

2. Basis of Accounting

The Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting as contemplated under accounting principles generally accepted in the United States of America and which is the same basis of accounting used for presenting the general purpose financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

CAMERON, HINES & HARTT

(A Professional Accounting Corporation)

Certified Public Accountants

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors
Richland Voluntary Council on Aging, Inc.
Rayville, Louisiana

We have audited the financial statements of Richland Voluntary Council on Aging, Inc. as of and for the year ended June 30, 2007, and have issued our report thereon dated November 15, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Richland Voluntary Council on Aging, Inc.'s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control over financial reporting. Our consideration of internal control included procedures to evaluate the design of controls relevant to an audit of financial statements and to determine whether they have been implemented, but it did not include procedures to test the operating effectiveness of controls, and accordingly, was not directed to discovering significant deficiencies in internal control. Accordingly, we do not express an opinion on the effectiveness of the Council's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiency described in the accompanying schedule of findings and questioned costs to be a significant deficiency in internal control over financial reporting and is described as item 07-1.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

To the Board of Directors
Richland Voluntary Council on Aging, Inc.
Page 2

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Council's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 07-1.

The Council's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the Council's response and, accordingly, we express no opinion on it.

This report is intended solely for the information of management, the Governor's Office of Elderly Affairs and the Legislative Auditor and is not intended to be or should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is to be distributed by the Legislative Auditor as a public document.

Cameron, Hines & Harth (APAC)

West Monroe, Louisiana
November 15, 2007

RICHLAND VOLUNTARY COUNCIL ON AGING, INC
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2007

To the Board of Directors
Richland Voluntary Council on Aging, Inc.
Rayville, Louisiana

We have audited the financial statements of the Richland Voluntary Council on Aging, Inc. as of and for the year ended June 30, 2007, and have issued our report thereon dated November 15, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of June 30, 2007, resulted in an unqualified opinion.

Section I- Summary of Auditors' Results

A. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weakness ___ yes X no
Significant Deficiencies not considered to be
Material Weaknesses X yes ___ no

Compliance

Compliance Material to Financial Statements X yes ___ no

B. Federal Awards

Material Weakness Identified ___ yes X no
Significant Deficiencies not considered to be
Material Weaknesses ___ yes X no

Type of Opinion on Compliance For Major Programs (No Major Programs)

Unqualified ___ Qualified ___
Disclaimer ___ Adverse ___

Are their findings required to be reported in accordance with Circular A-133,
Section .510 (a)? N/A

C. Identification of Major Programs: N/A

Name of Federal Program (or cluster)
CFDA Number(s)

Dollar threshold used to distinguish between Type A and Type B Programs. N/A

Is the auditee a "low-risk" auditee, as defined by OMB Circular A-133? N/A

RICHLAND VOLUNTARY COUNCIL ON AGING, INC
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2007

Section II- Financial Statement Findings

07-1 Condition:

During the audit, it was noted that the Council paid a one time cost of living raise that was not budgeted at the beginning of the fiscal year to all employees of the Council on Aging.

Criteria:

Since the cost of living increase was not budgeted at the beginning of the year, it could be considered a bonus. According to Louisiana law regarding the code of ethics, no public servant shall receive anything of economic value, other than compensation and benefits from the governmental entity to which he is duly entitled, for the performance of the duties and responsibilities of his office or position.

Effect:

Since the raise was not budgeted prior to paying the employees, paying the one time cost of living raise could violate the code of ethics for public employees and laws affecting budgeting under Louisiana law.

Recommendation:

It is recommended that the Council not make such payments in the future. In addition, the Council should consider contacting the Governor's Office of Elderly Affairs to determine what course of action, if any, be taken according to their guidelines.

Response:

The Council will take steps to follow the auditors' recommendations.

Section III- Federal Award Findings and Question Costs- N/A

RICHLAND VOLUNTARY COUNCIL ON AGING, INC.
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2007

Section I- Internal Control and Compliance Material to the Financial Statements

This section is not applicable for this entity.

Section II- Internal Control and Compliance Material to Federal Awards

06-1 Pledged Security Deficiency

Condition:

The Council had cash and cash equivalents (bank balances) that exceeded the FDIC amount by \$2,215 with no securities pledged to cover the excess.

Recommendation:

The Council should notify the bank of the risk of loss to insure that at any point the Council goes over the FDIC insurance limitation, the bank will pledge securities to cover the excess amount.

Current Status:

The Council is not over the FDIC insurance limit and thus they have no pledged securities.

Section III- Management Letter

No management letter was issued.